THE HON'BLE Ms. JUSTICE G. ROHINI

WRIT PETITION No.21371 OF 2006

ORDER:

This writ petition is filed seeking a declaration that the alleged inaction of the respondents in granting permission to the petitioner to dispose of 3200 square yards of land situated at Jajulluvanipalem in Visakhapatnam town is arbitrary and illegal.

It is not in dispute that the petitioner has availed a loan from the respondent-Bank in connection with which a collateral security was given by depositing title deeds of the above said property. Since the petitioner committed default in discharging the loan, the respondent-Bank invoked the provisions of the Securitisation and Reconstruction of financial Assets and Enforcement of Security Interest Act, 2002 (for short "the Act") and issued a notice under Section 13(2) of the Act, calling upon the petitioner to pay the amount of Rs.31,78,456.85 ps. Since the petitioner failed to comply with the same, two vehicles, which were hypothecated in connection with the said loan account were brought to sale. The petitioner pleads that a sum of Rs.27.00 lakhs was realised by sale of the said vehicles and for the balance, the respondent-Bank is taking steps to proceed against the land in question. Having come to know about the proposed sale, the petitioner made a representation dated 26.9.2006 seeking permission to secure a good buyer so as to fetch better price for the land in question. Alleging that without considering the said request, the respondent-Bank has been proceeding to sell the land, this writ petition is filed.

I have heard the learned counsel for the petitioner and perused the material on record.

Since it is not in dispute that the property in question is a

secured asset, it is always open to the respondent-Bank to proceed against the same invoking the provisions of the Act for realisation of the amounts due. The material on record shows that in terms of the provisions of the Act, two buses, which were hypothecated in favour of the respondent-Bank, were sold.

However, nothing has been placed before this Court to show that any steps have been initiated by the respondent-Bank for sale of the land in question. Strangely, the petitioner has not even filed a copy of the representation, dated 26.9.2006 said to have been made by her. Hence, the writ of *mandamus* as sought by the petitioner cannot be issued.

The writ petition is accordingly dismissed. No costs.

However, it is made clear that the respondent-Bank if intends to sell the lands in question, shall take necessary steps strictly in accordance with the provisions of the Act and the Rules made thereunder.

27.11.2006.

Kgr.

THE HON'BLE Ms. JUSTICE G. ROHINI

WRIT PETITION No.21371 OF 2006

27th November, 2006.

Between:

Smt. Borusu Venkatalaxmi. ..
Petitioner.

And

State Bank of India, represented by its
Chief Manager, Development Bank Division,
Main Branch, Visakhapatnam. ..
Respondent.